

REPORT SUMMARY

Department of Justice

This report documents the results of our financial-compliance audit of the Department of Justice (department) for the two fiscal years ended June 30, 2008. The previous audit report contained five recommendations. Of these, three were implemented and two were partially implemented.

This report contains five recommendations. The issues discussed include accounting misstatements related to Consumer Protection Office activity and areas where internal controls should be improved. This report also contains a disclosure issue related to Consumer Protection general fund transfers.

We issued an unqualified opinion on the financial schedules contained in this report. This means the reader can rely on the presented financial information and the supporting data on the state's accounting records.

The listing below serves as a means of summarizing the recommendations contained in the report, the department's response thereto, and a reference to the supporting comments.

Recommendation #1

We recommend the department:

- A. Record all consumer protection settlement activity on the accounting records in accordance with state law.
- B. Use an appropriation as required by the constitution for consumer protection expenditures.6

Department response: Concur B-3

Recommendation #2

We recommend the department comply with state law regarding timeliness of deposits.8

Department response: Concur B-4

Recommendation #3

We recommend the department segregate check receiving, custody, and recordkeeping functions at its Motor Vehicle, Gambling Control, and Highway Patrol Divisions.9

Department response: Concur B-4

Recommendation #4

We recommend the department implement control procedures to ensure transactions processed during fiscal year-end are accurate and complete. 11

Department response: ConcurB-5

Recommendation #5

We recommend the department implement procedures for monitoring and testing its internal control procedures as required by state policy..... 12

Department response: ConcurB-5